Leadership: American VS Southwest

A funny thing that wasn't particularly funny happened in, I think it was April or March of 2008. There are two major American airlines that are headquartered in Dallas, Texas: One is American Airlines, one is Southwest Airlines. By sheer coincidence, they each had their annual meeting on the same day in Dallas. The American Airlines annual meeting was picketed by several hundred pilots who are members of the Airline Pilots Union.

Across town, you have the Southwest Airlines meeting, and their cofounder and famous CEO, Herb Kelleher, was retiring. The same day that the pilots were picketing American Airlines, the same pilots' union members associated with Southwest spent God knows how many hundreds of thousands of dollars to take out a full two-page advertising spread in *USAToday* thanking Herb Kelleher for his extraordinary 37 years of service to Southwest. Picketing on the one side, buying an ad to say thank you to the guy on the other.

Herb Kelleher has apparently been asked, as you would imagine, dozens of times, if not hundreds of times, what is the secret to Southwest's success. And he was funny about it. He always uttered the same sentence, and when they pressed for more—even though obviously it's a complicated business—he would never give them more. He said, "You have to treat your employees like customers."

A simple phrase, but it's one of those simple phrases that you can say, "Ho-hum," you can say, "That's a cool phrase," or you can say, "This is the way I'm going to lead my life as a leader." Kelleher said it. Amazing guy. Extraordinary experiences at Southwest. You have to treat your employees as customers. And what else is there to know about life? Kelleher says, "Nothing."

